

PROCLAMATION

BY THE

Governor of the State of Texas

41-2565

TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14 of the Texas Constitution, I, Ann W. Richards, Governor of Texas, do hereby veto S.B. 421 because of the following objections:

This bill allows gas utility companies to include in the rate base federal income taxes that the companies may never actually pay. This rate base is used by the Railroad Commission to determine the prices the utilities may charge to their customers for natural gas. Current law leaves the decision of whether or not to include these taxes in the rate base to the Railroad Commission. A potential effect of this bill would be to increase the cost of gas to consumers.

A similar provision was considered in another bill for electric and telephone utility companies. The legislature decided to defer a decision on this complex issue until an interim study can be conducted. Gas utility companies should be included in that same study.

The Secretary of State will take notice of this action and will notify the members of the Legislature.

IN TESTIMONY WHEREOF, I have hereunto signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 20 day of June, 1993.



Ann W. Richards
Ann W. Richards
Governor of Texas

FILED IN THE OFFICE OF THE
SECRETARY OF STATE

10:10 p.m. 10 CLOCK

JUN 20 1993
John Hannah Jr.
Secretary of State